confusion. It was not, however, any internal contradiction or implausibility in the evidence that "firmly convinced" the majority to disagree with the trial court. It was no "mistake" at all: it was simply the majority's belief that "it should not have been very hard" for Libman to have provided "actual confusion" evidence. A7. In other words, the Seventh Circuit "firmly" disagreed with Libman's attorney about the best way to prove its case. This should not be a legitimate basis for ignoring a trial court's view of the evidence.

Vining's response reveals no other "mistake" in the trial court's finding of a likelihood of confusion. While Vining argues that there was other evidence[2] upon which the Seventh Circuit could have relied in deciding *not* to find a likelihood of confusion, resp. 11-12, that does not show that the *trial court's* view was clearly erroneous. *Anderson*, 470 U.S. at 577. Indeed, most of the same facts were also present in *Ideal Industries*, where the Seventh Circuit held that it was *not* clear error to find a likelihood of confusion. 612 F.2d 1018.

Vining's reliance on the Seventh Circuit's statement that the trial court did not adequately explain its finding of a likelihood of confusion (resp. 14) is surprising. The petition for *certiorari* explained that the Seventh Circuit's statement is simply false: the trial court did not, as the Seventh Circuit claims, "mov[e] without transition or explanation" from its finding about the similarity of the overall appearances of the parties' products to the conclusion that there is a likelihood of confusion. In between, the trial court considered, analyzed, and made findings on the traditional evidentiary factors. B5-6. Vining's response makes no attempt to explain the Seventh Circuit's misrepresentation of the trial court's findings, or to justify its own reliance on that misrepresentation. Further, as noted in the petition for *certiorari*, such a mistake

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[2] At footnote 3, Vining's response claims that there was a trial "admission" that consumers cannot see the contrast band on Vining's gray brooms. That testimony was contradicted by stipulation and by Vining's own admissions that the contrast band on those brooms is used to attract the attention of potential purchasers. Stip. 51, F267-68.

(had it in fact been made) would have called for a remand, not a reversal. *Swint*, 456 U.S. at 292-93.

Conclusion on the standard of review

These four differences between the standard of review applied in the Seventh Circuit and the various standards of review applied in other circuits demonstrate that the split in the circuits is significant. It is also growing. Since Libman's petition for *certiorari* was filed, yet another circuit has divided on the issue of proper application of the clear-error standard to a finding of a likelihood of confusion. *Sara Lee Corporation v. Kayser-Roth Corp.*, 81 F.3d 455 (4th Cir. 1996). In the last six months, more than half[3] the precedential opinions applying the clear error standard to a finding of a likelihood of confusion have resulted in a divided panel disagreeing on the proper application of that standard.

The Court should use this opportunity to clarify the standard of review. It should do so because the Seventh Circuit's *judgment* authorizes the resumption of conduct that has been found and conceded to harm the public. It should do so because the Seventh Circuit's *opinion* does not merely misapply a properly-identified standard, but sets a new standard. It should do so because the *facts* (particularly the lack of any dispute about the similarity of the marks themselves and the Seventh Circuit's concession that it was "plausible" to infer a likelihood of confusion) make it possible for this Court to decide this case as a matter of law, without a need to conduct a comprehensive review of the underlying evidence.

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[3] This calculation is based on all cases in the LEXIS "genfed" library that include "confusion" within two words of "likelihood" and the stem "clear-" within four words of the stem "err-."

CERTIORARI SHOULD BE GRANTED BECAUSE LIBMAN DID NOT HAVE A FAIR HEARING

There is no dispute that Libman was entitled to a fair hearing. The petition asserted, and Vining does not dispute:

1) Libman had a property right in the injunction against the use of a contrast band on Vining's yellow PROFESSIONAL PRODUCTS brooms.

2) The public interest in being free from confusion made the injunction a particularly important property right.

3) The Fifth Amendment required the Seventh Circuit to provide due process before depriving Libman of that right.

4) Due process normally requires at least notice and an opportunity to be heard.

The fact that Vining's yellow PROFESSIONAL PRODUCTS brooms had been *mentioned*[4] in the appeal briefs is hardly dispositive. They were only mentioned in the context of *other issues*. Vining *expressly* limited its likelihood of confusion issue on appeal to its gray "2000" brooms. While Libman knew what property was at stake, it did not have fair notice of the legal basis upon which the Seventh Circuit was going to take that property away. Due process, particularly in the context of an important interest like the one at stake here, cannot be satisfied by merely mentioning the item at stake without mentioning the basis on which the property is going to be taken away.

Vining's speculation that a fair hearing would not have led to a different result cannot be trusted. The Seventh Circuit's opinion shows heavy reliance on three assumptions that, as pointed out in the petition for *certiorari*, were simply

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[4] Contrary to page 2 of Vining's response, no physical samples of the brooms at issue were included in the record on appeal. App. 6-7.

not true. Br. 19-20. While Vining tries, often unfairly[5], to discredit the evidence, it never *denies* that the Seventh Circuit's assumptions were wrong. It simply claims that those assumptions were not "grossly" wrong. Resp. 15. Be that as it may, the evidence refuting the Seventh Circuit's assumptions present at least genuine factual issues. Libman was entitled to a fair hearing to resolve those issues.

Libman did not waive its right to a fair hearing. Vining's response asserts that Libman should have claimed that a due process violation had occurred when it petitioned the Seventh Circuit for rehearing. Resp. 16. There had been no due process violation at that time: it didn't occur until the Seventh Circuit refused to provide a fair hearing. Libman's petition for a rehearing was a request for a fair hearing, and that request was not denied until the petition was denied.

VINING'S ALTERNATIVE BASES FOR UPHOLDING THE SEVENTH CIRCUIT'S REVERSAL

More than a quarter of Vining's argument is devoted to suggesting alternative bases upon which the Seventh Circuit's judgment might have been based. "It is a tale . . . full of sound and fury, signifying nothing." *Macbeth*, Act V, scene V.

Each of the assertions is baseless. The only "evidence" that others used the same contrast band before Libman did was ruled by the trial court to be inadmissible for that purpose. Tr. 400, *cf.* tr. 39-40 (evidence that the mark had been successfully enforced against two other leading brands).

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[5] For example, Vining's response notes that the "actual confusion" evidence was obtained when the brooms had their "sleeves pulled up," but falsely suggests that this means that the sleeves were not "on" the brooms. In fact, the "sleeves pulled up" position is the position shown in the photographs included in Vining's response. Vining's response also claims that the color used on the yellow brooms is "the bright yellow color that has long been associated with the O'CEDAR line of brooms." Resp. 15. Vining's own witness admitted not only that this is untrue, but also that that new color would not be accepted by its traditional customers. Tr. 374.

There was ample testimony that the mark was *not* functional. Stip. 24, tr. 166-67. Vining previously admitted that there was evidence of secondary meaning. Vining reply at 11. With such evidence, "decorativeness" and "simplicity" are not bases for refusing to protect a mark. *Qualitex Co. v. Jacobson Prods. Co.*, 131 L.Ed.2d 248 (1995). The "fair use" argument Vining asserts was not even pleaded.

The fact that Vining felt compelled to suggest "alternative" bases for the Seventh Circuit's judgment, rather than address the issues presented in the petition, does two things. It shows the merit of the petition and it emphasizes the lack of any solid foundation for the Seventh Circuit's judgment.

CONCLUSION

Vining's inability to dispute the principal issues of this petition for *certiorari* shows that Supreme Court review is appropriate. The undisputed importance of those issues, including the Seventh Circuit's position that a trademark may be copied so long as the overall appearances of the products are dissimilar, and the lack of any serious *factual* issues indicate that review should indeed be granted.

Respectfully submitted,

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EXHIBIT H

[LOGO] [SEAL]

BNA's PATENT, TRADEMARK & COPYRIGHT JOURNAL

Vol. 51, No. 1254 HIGHLIGHTS November 23, 1995

LANHAM ACT PROTECTION for product features may not be based on a presumed source-identifying function and inherent distinctiveness where the primary purposes of those features are likely to be functional or aesthetic, the U.S. Court of Appeals for the Second Circuit held Nov. 13. Although the court reversed a finding of trade dress infringement, it affirmed a copyright infringement judgment in this case over sweater designs, refusing to dissect protectable from unprotectable elements and insisting on a comparison of the total concept and feel of the products. page 95

AESTHETIC FUNCTIONALITY DEFENSE to a charge of trade dress infringement may be proved with testimony that the plaintiff's design has created customer interest, has practical advantages, and is unique, according to the U.S. Court of Appeals for the Second Circuit. The Nov. 15 ruling concluded that the district court failed to consider the functionality defense, and remanded for consideration of whether plaintiff's design confers a significant competitive benefit that cannot practically be duplicated with alternative designs. page 97

ANTITRUST COUNTERCLAIM in a patent infringement suit is permissive, not mandatory, the U.S. Court of Appeals for the Ninth Circuit held Nov. 15 in reversing the dismissal of an independent antitrust suit. The court also ruled that the *Noerr-Pennington* doctrine

may not defeat antitrust liability for enforcing a patent that was obtained by intentional fraud. page 98

LACK OF ACTUAL CONFUSION or survey evidence requires reversal of a district court judgment that a broom made with contrasting colors is likely to be confused with a similar broom, the U.S. Court of Appeals for the Seventh Circuit held Nov. 16. While proof of actual confusion is not required in a trademark infringement case, a finding of likely confusion cannot be based on pure conjecture, the court explained. Judge Coffey dissented, complaining that the majority gave too much analytical weight to the actual confusion factor and encroached on the fact-finding role of the district court. page 100

NII LEGISLATION (S 1284 and HR 2441) concerning use of copyrighted works on the information superhighway was praised by the chiefs of the Patent and Trademark Office and the Copyright Office at Nov. 15 congressional hearing. The joint session of the Senate Judiciary Committee and the House Subcommittee on Courts and Judicial Administration also heard from an official of the World Intellectual Property Organization, who testified that the legislation could set worldwide standards for resolving these copyright issues. page 102

FALSE ADVERTISING PROHIBITION under the Lanham Act extends to "secondary uses" of articles published by non-profit trade associations that rank their publications higher than for-profit publications the U.S. District Court for the Southern District of New York held Nov. 2, even though the articles themselves are non-commercial and exempt. The secondary uses directly target relevant consumers, the court observed, and thus are

precisely the type of promotional activity that the Lanham Act seeks to regulate. page 104

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EXHIBIT I

UNITED STATES DISTRICT COURT

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CLERK OF COURT [SEAL]

RECORD TRANSMITTAL LETTER

Thomas F. Strubbe, Clerk
United States Court of Appeals
for the Seventh Circuit
219 South Dearborn Street
Chicago, IL 60604

Date:
August 10, 1995

95-1905

RE: LIBMAN COMPANY vs VINING INDUSTRIES

District Court No. 93-2283

USCA Docket No. 95-1905

Dear Mr. Strubbe:

I am sending you herewith the original/supplemental record on appeal. It consists of the following:

2 Volumes of Pleadings

2 Volumes of Transcript

_____ Volumes of Depositions

EXHIBITS: 3 white notebooks containing plaintiffs exhibits
1 white notebook containing defendants exhibits

IMPOUNDING EXHIBITS: _____

IN CAMERA MATERIAL: 2 envelopes

OTHER: (Specify) 2 volumes of loose pleadings

Please acknowledge date of receipt of the above mentioned materials on the attached copy of this letter.

Very truly yours,

/s/ John M. Waters
JOHN M. WATERS
U. S. DISTRICT CLERK

cc: John Jenkins
Richard LaBarge
Michael Marrero